FS 260 Whose Income Is Counted?

Change #3-2004 August 1, 2004

260.01 WHOSE INCOME IS COUNTED?

Determine if the food stamp unit (FSU) members' income is countable. Households containing an elderly or disabled member (as defined in Section 210.05) must meet only the net income eligibility standards. Categorically eligible households do not have to meet either the gross or net income standards. All others must meet the gross and net income standards. Count **all** non-excluded gross income in a FSU whether earned or unearned, unless special circumstances exist as indicated below.

A. Disqualified Individuals

Include all countable gross income if a FSU member is disqualified due to:

- Intentional Program Violation (IPV);
- 2. Failing to comply with Employment and Training (E&T) requirements or Workfare;
- 3. Voluntary quit;
- 4. Drug felony; or
- 5. Transfer of resources (Include all this member's countable gross income.).

B. Ineligible Individuals

Include prorated countable gross income if the individual is ineligible due to failing to meet the:

- 1. Enumeration requirement, **or**
- 2. Citizenship/Alien status requirement (Include this member's prorated countable gross income.), **or**
- 3. Ineligible ABAWDs
 - a. To prorate, divide the ineligible individual's gross countable income evenly for all potential FSU members.
 - b. Multiply the prorata share by the number of persons included in the FSU.
 - c. Enter the countable portion of the ineligible member's income in Field 80F or 80J of the DSS-8590 on the same line with the ineligible member.

EXAMPLE: A FSU consists of seven persons. The head of household, who has not met the enumeration requirements, is employed and earns \$700 per month.

\$700	Divided by 7 = 100 Prorata Share
\$100	Multiplied by 6 (eligible FSU members) = \$600
\$600 =	Income of ineligible member to be counted for
	the remaining FSU members

C. Student in Higher Education

A student is anyone from the age of 18 through age 49 who is enrolled in an institution of higher education as defined in Section 230, Students. According to the instructions in Section 230, determine if the student is eligible or ineligible.

- 1. **Eligible:** Include this person's countable income.
- 2. **Ineligible:** Do not include this person's income. This person is not eligible to be included in the FSU.

D. High School Student

- 1. For a child age 17 or younger, exclude his entire gross earned income only if the child is:
 - A student attending any elementary or secondary school recognized, operated, or supervised by the state or local school district (including home-school) or attending classes at least half-time to obtain a GED, and
 - b. Not the head of the FSU.
 - c. Count all of the student's non-excluded unearned income.
- Once the student turns 18:

Test prospectively for the month after the student turns 18, including the student's gross earned income.

- If the FSU becomes ineligible, send the Notice Of Adverse Action to terminate.
- b. If the FSU remains eligible prospectively, budget converted income for the month after the student turns 18.
- E. Fleeing Felons, Probation/Parole Violators

Do not count the income of these individuals.

F. Sponsored Alien

A sponsored alien is an alien admitted lawfully for permanent residence who is sponsored financially by an individual. Count the income of any individual (and their spouse, if living together) who executed an Affidavit of Support on behalf of the alien as indicated below. Refugees and Asylees are not sponsored.

- If the Affidavit of Support was signed or re-signed on or after December 19, 1997, count the full amount of countable income of the sponsor and his spouse (if living together) as unearned income until:
 - a. The alien becomes a citizen; or
 - b. Has earned or can be credited with 40 qualifying quarters; or
 - c. The sponsor dies, whichever is earlier.

 If the Affidavit of Support was signed or re-signed prior to December 19, 1997, deem only a portion of the sponsor's countable income and his spouse's (if living together) to the alien. See Section 273, Special Budgeting Procedures, for instructions on deeming income.

NOTE: Beginning January 1, 1997, a quarter in which a wage earner received federal means-tested assistance (Work First, Food Stamps, Medicaid, NC Health Choice, or SSI) does not count as a qualifying quarter.

G. Foster Children

Under Title IV-E of the Social Security Act, foster care payments are made to persons who take care of children while the social services agency maintains legal responsibility for the child. Determine if the FSU wishes to include the foster child(ren) in the FSU.

- 1. If yes, include the foster child's countable income, including the foster care payment.
- 2. If no, exclude the foster child's income including the foster care payment.

H. Guardianship Payments

Treat guardianship payments authorized under the Demonstration Projects Section of Title IV-E the same as foster care payments. Guardianship payments are made to a person who becomes a child's (under age 18) legal guardian. Further, the guardian can petition the court to have guardianship terminated at any time. The FSU has a choice of:

- 1. Including the child as a member of the FSU, therefore, counting the guardianship payment as unearned income; **or**
- 2. Treating the child as a boarder and excluding the child and the guardianship payment.

Absent Wage Earner

An absent wage earner is defined as one who is absent from the FSU because of work-related travel or who resides away from the FSU because of the distance to work.

- 1. An absent wage earner is **included** in the FSU. However, if the FSU disagrees, the wage earner and the FSU are responsible for establishing that the wage earner is not a member of the FSU. If the absent wage earner maintains a separate residence, consider whether the individual is separate from the FSU.
- 2. Evaluate each case on its own merit using the best available information.
- 3. If the absent wage earner is in the military, determine the length of absence.
 - a. If absent less than 30 days, continue to include the member in the FSU and count his income.

- b. If absent 30 days or more, do not include the individual or his income in the FSU. This applies to both temporary duty (TDY) and permanent change of station (PCS). Count any cash contributions made to the FSU as unearned income. Also consider any deposits made to a joint account as unearned income to the FSU.
- 4. If the absent wage earner has a joint checking or savings account with a household member, count any deposits made to that account as unearned income, unless a resulting trust exists. Refer to Section 250, Resources.